

## **Program A: Office of Management and Finance**

Program Authorization: R.S. 36:626

### **PROGRAM DESCRIPTION**

In a manner consistent with Article 4, Section 10, of the Louisiana Constitution of 1974, the mission of the Office of Management and Finance is to provide leadership and support services for the Office of the Commissioner and his immediate staff and for the other offices of the Louisiana Department of Agriculture. The program serves as a central manager for revenue, purchasing, payroll, and computer functions. It is also responsible for budget preparation, management of the department's funds, and distribution of food commodities donated by the United States Department of Agriculture (USDA). The Office of Management and Finance strives to achieve the goal of fostering efficiency by maintaining low administrative costs and effectiveness by ensuring the success of all other departmental programs. The activities of this program are Administrative and Food Distribution Program.

### **OBJECTIVES AND PERFORMANCE INDICATORS**

Unless otherwise indicated, all objectives are to be accomplished during or by the end of FY 2000-2001. Performance indicators are made up of two parts: name and value. The indicator name describes what is being measured. The indicator value is the numeric value or level achieved within a given measurement period. For budgeting purposes, performance indicator values are shown for the prior fiscal year, the current fiscal year, and alternative funding scenarios (continuation budget level and Executive Budget recommendation level) for the ensuing fiscal year (the fiscal year of the budget document).

**The objectives and performance indicators that appear below are associated with program funding in the Base Executive Budget for FY 2000-01. Objective number two is funded in the Governor's Supplementary Recommendations and all other objectives are funded in the Base Executive Budget. Specific information on program funding is presented in the financial sections that follow performance tables.**

1. (Key) To ensure that all other programs in Agriculture and Forestry are provided the support services and leadership needed to accomplish all of their objectives.

Strategic Link: This objective accomplishes Strategic Objective 1 - To ensure that services are provided in a timely, effective and accurate manner and in compliance with applicable laws, rules and regulations.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Number of objectives not accomplished due to insufficient support services	Not Applicable <sup>1</sup>	0	Not Applicable <sup>1</sup>	0	0	0
S	Number of repeat audit findings <sup>2</sup>	Not Applicable <sup>1</sup>	1	Not Applicable <sup>1</sup>	1	1	1

<sup>1</sup> This is a new indicator that did not appear in the Act for this fiscal year.

<sup>2</sup> Lack of funding for an internal auditor.

2. (KEY) To maintain the administrative cost of the Food Distribution Program to no more than 2.45%.

Strategic Link: This objective accomplishes Strategic Objective 2 - To sustain or reduce the administrative cost of the Food Distribution Program from 2% to 1%.

LEVEL	PERFORMANCE INDICATOR NAME	PERFORMANCE INDICATOR VALUES					
		YEAREND PERFORMANCE STANDARD FY 1998-1999	ACTUAL YEAREND PERFORMANCE FY 1998-1999	ACT 10 PERFORMANCE STANDARD FY 1999-2000	EXISTING PERFORMANCE STANDARD FY 1999-2000	AT CONTINUATION BUDGET LEVEL FY 2000-2001	AT RECOMMENDED BUDGET LEVEL FY 2000-2001
K	Cost as a percent of commodities distributed	Not applicable <sup>1</sup>	2.46%	Not applicable <sup>1</sup>	2.30%	2.44%	2.44%
S	Administrative cost	\$593,969	\$567,447	\$591,260	\$591,260	\$586,374	\$586,374
S	Dollar value of commodities	\$24,960,000	\$23,080,241	\$24,960,000	\$24,960,000	\$20,000,000 <sup>2</sup>	\$20,000,000
S	Number of school children receiving commodities	595,000	594,979	595,000	595,000	585,000	585,000

<sup>1</sup> This is a new indicator that did not appear in the Act for this fiscal year.

<sup>2</sup> Federal reduction in commodities for needy families.

## RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$11,614,948	\$11,915,780	\$11,915,780	\$14,246,113	\$10,082,799	(\$1,832,981)
STATE GENERAL FUND BY:						
Interagency Transfers	74,656	0	0	0	0	0
Fees & Self-gen. Revenues	611,739	468,296	468,296	518,296	468,296	0
Statutory Dedications	0	1,000,000	1,000,000	1,085,435	1,000,000	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	2,057,347	1,828,615	1,828,615	1,849,656	1,828,615	0
TOTAL MEANS OF FINANCING	<u>\$14,358,690</u>	<u>\$15,212,691</u>	<u>\$15,212,691</u>	<u>\$17,699,500</u>	<u>\$13,379,710</u>	<u>(\$1,832,981)</u>
EXPENDITURES & REQUEST:						
Salaries	\$4,227,018	\$4,850,491	\$4,559,834	\$4,824,797	\$4,700,388	\$140,554
Other Compensation	246,293	61,520	246,293	246,293	246,293	0
Related Benefits	2,282,229	2,176,347	2,282,231	2,314,822	2,321,557	39,326
Total Operating Expenses	6,028,984	6,667,777	6,699,233	7,760,004	4,663,641	(2,035,592)
Professional Services	133,888	186,409	131,200	133,824	131,200	0
Total Other Charges	938,078	836,647	954,900	976,003	977,631	22,731
Total Acq. & Major Repairs	502,200	433,500	339,000	1,443,757	339,000	0
TOTAL EXPENDITURES AND REQUEST	<u>\$14,358,690</u>	<u>\$15,212,691</u>	<u>\$15,212,691</u>	<u>\$17,699,500</u>	<u>\$13,379,710</u>	<u>(\$1,832,981)</u>
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	113	123	123	123	123	0
Unclassified	16	6	6	6	6	0
TOTAL	<u>129</u>	<u>129</u>	<u>129</u>	<u>129</u>	<u>129</u>	<u>0</u>

The Total Recommended amount above includes \$3,672,000 of supplementary recommendations for and for the Commodities Storage and Distribution Project in the Management and Finance Program. These items are contingent upon revenue sources subject to Legislative approval and recognition by the Revenue Estimating Conference.

## SOURCE OF FUNDING

This program is funded with State General Fund, Fees and Self-generated Revenues, Statutory Dedications, and Federal Funds. Fees and Self-generated Revenues are derived from rental space to the Office of State Employees Group Benefits, and Miscellaneous insurance and other reimbursements, such as employee use of state vehicles from domicile to place of business. Statutory Dedications are derived from the fertilizer Commission Fund from tonnage fees on fertilizer and are dedicated to building an Agriculture Center. (Per R. S. 39:32B(8), see table below for a listing of expenditures out of each Statutory Dedicated Fund.) Federal Funds are derived from indirect costs received from federal programs within various offices, Federal Container Salvage Funds, and temporary Emergency Food for Needy Families

	ACTUAL	ACT 10	EXISTING	CONTINUATION	RECOMMENDED	RECOMMENDED
	1998-1999	1999- 2000	1999- 2000	2000 - 2001	2000 - 2001	OVER/(UNDER)
						EXISTING
Fertilizer Commission Fund	\$0	\$1,000,000	\$1,000,000	\$1,085,435	\$1,000,000	\$0

## ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
<b>\$11,915,780</b>	<b>\$15,212,691</b>	<b>129</b>	<b>ACT 10 FISCAL YEAR 1999-2000</b>
			<b>BA-7 TRANSACTIONS:</b>
\$0	\$0	0	None
<b>\$11,915,780</b>	<b>\$15,212,691</b>	<b>129</b>	<b>EXISTING OPERATING BUDGET – December 3, 1999</b>
\$123,916	\$123,916	0	Annualization of FY 1999-2000 Classified State Employees Merit Increase
\$61,823	\$61,823	0	Classified State Employees Merit Increases for FY 2000-2001
\$139,079	\$139,079	0	Risk Management Adjustment
\$339,000	\$339,000	0	Acquisitions & Major Repairs
(\$339,000)	(\$339,000)	0	Non-Recurring Acquisitions & Major Repairs
\$2,884	\$2,884	0	Legislative Auditor Fees
(\$1,491)	(\$1,491)	0	Maintenance of State-Owned Buildings
\$1,862	\$1,862	0	UPS Fees
\$93,839	\$93,839	0	Salary Base Adjustment
(\$165,362)	(\$165,362)	0	Attrition Adjustment
(\$140,554)	(\$140,554)	0	Salary Funding from Other Line Items
\$18,262	\$18,262	0	Civil Service Fees
(\$500,000)	(\$500,000)	0	Continuation of reductions imposed by Executive Order MJF 99-52 in FY 00-01, Operating Services
\$13,628	\$13,628	0	Other Adjustments - Reallocation for Information Systems Personnel
\$19,133	\$19,133	0	Other Adjustments - Reallocation for Human Resource Positions
(\$400,000)	(\$400,000)	0	Other Adjustments - Required rental space increase for Food Storage/Warehouse
(\$1,100,000)	(\$1,100,000)	0	Other Adjustments - Reduced funding in Operational expenses to anticipated levels

<b>\$10,082,799</b>	<b>\$13,379,710</b>	<b>129</b>	<b>TOTAL RECOMMENDED</b>
<b>(\$3,672,000)</b>	<b>(\$3,672,000)</b>	<b>0</b>	<b>LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS</b>
<b>\$6,410,799</b>	<b>\$9,707,710</b>	<b>129</b>	<b>BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001</b>
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
<b>\$0</b>	<b>\$0</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL</b>
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$3,672,000	\$3,672,000	0	Funding for the Commodities Storage, Warehouse and Distribution Project
<b>\$3,672,000</b>	<b>\$3,672,000</b>	<b>0</b>	<b>TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE</b>
<b>\$10,082,799</b>	<b>\$13,379,710</b>	<b>129</b>	<b>GRAND TOTAL RECOMMENDED</b>

The total means of financing for this program is recommended at 88.0% of the existing operating budget. It represents 73.9% of the total request (\$18,096,508) for this program. Net decreases in this Program are primarily attributable to a decrease for the Food Storage Commodities Project to anticipated requirements. Other decreases are attributable to reductions in Operating Services recommended as result of the continuation of the Executive Order MJF 99-52.

## PROFESSIONAL SERVICES

\$125,000	Representation of the Department in all legal proceedings, and/or other service deemed appropriate and necessary to carry out the mission of the Department
\$6,200	Video Production and broadcast of Agriculture issues
<b>\$131,200</b>	<b>TOTAL PROFESSIONAL SERVICES</b>

## OTHER CHARGES

\$635,000	Temporary Emergency Food Assistance Program for providing commodities to 51 organizations for household consumption by low income individuals
\$1,000	Reimbursement of funds to the Federal government for bonus commodities which are spoiled and damaged by local government units.
\$152,384	Legislative Auditor Fees
\$46,200	Drug Awareness orientation and seminars, etc.
<b>\$834,584</b>	<b>SUB-TOTAL OTHER CHARGES</b>

**Interagency Transfers:**

\$29,948	UPS Fees
\$53,306	Maintenance of State Buildings
\$28,324	Civil Service Fees
\$878	COPT
\$6,750	Fees to Central La. State Hospital for maintenance
\$23,841	La. Tech University for research

**\$143,047 SUB-TOTAL INTERAGENCY TRANSFERS**

**\$977,631 TOTAL OTHER CHARGES**

**ACQUISITIONS AND MAJOR REPAIRS**

\$268,939	Replacement of 23 Pick up Trucks (1/2 Ton)
\$31,242	Replacement of 2 Pick up Trucks (1 Ton)
\$19,535	Replacement of a large size police type sedan
\$19,284	Replacement of a 12 passenger van

**\$339,000 TOTAL ACQUISITIONS AND MAJOR REPAIRS**